

## MEMORANDUM

**TO:** Audit Committee  
Jon Strinden  
Ron Leingang

**FROM:** Jamie Kinsella, Internal Auditor

**DATE:** May 23, 2007

**SUBJECT:** **August 16, 2006 Audit Committee Meeting**

In Attendance:

Ron Leingang  
Rebecca Dorwart  
Jamie Kinsella  
Sparb Collins  
Sharon Schiermeister  
Leon Heick

The meeting was called to order at 10:30 a.m.

### **I. May 18, 2006 and July 6, 2006 Audit Committee Minutes**

The audit committee minutes were examined and approved by the Audit Committee.

### **II. Internal Audit Quarterly Report**

- A. Internal Audit Status Update – Included with the audit committee minutes was the Internal Audit quarterly report which listed all of the projects that are in active status. In addition, an updated Goals and Objectives Report summarizing the status as of the end of the last quarter was also included. This report is the annual goals and objectives of the internal audit division provided to the Executive Director at the beginning of each year to be included in the NDPERS Business Plan report to the Board. It was brought to the Audit Committee's attention that 3 audit reports have been waiting for responses since October 2005. Discussion followed. It was decided by the Audit Committee to give management until the next Audit Committee meeting to respond, to which management agreed.
- B. Quarterly Audit Finding Status Report – As stated in the Audit Policy #103, the Internal Audit Division is to report quarterly to management and the audit committee the status of the audit findings of the external auditors, as well as any found by the internal auditor. This report includes the recommendations made by Eide Bailly during the 2005 fiscal year end audit. Findings by Internal Audit are included after the final audit report has been issued to management that includes responses to the findings. A copy of the report was included with the audit committee materials. Also attached to the report was a report in response to the Audit Committee's request in May to have staff review and prioritize the recommendations. Discussion followed. The Audit Committee felt the results of staff's review were adequate.

### **III. Administrative**

- A. Performance Evaluation – Ms. Kinsella’s annual performance evaluation was completed in June 2006.
- B. Internal Audit Charter Review – The Internal Audit Charter was reviewed and will not need any revisions at this time.
- C. Audit Committee Charter Review – The Audit Committee Charter was reviewed and will not need any revisions at this time.

### **IV. Miscellaneous**

- A. Audit Committee Meeting - The next audit committee meeting will be held on November 29, 2006 at 10:30am in the NDPERS Conference room, Wells Fargo Bank Building.
- B. Brady Martz – Brady Martz was in the NDPERS office July 11-13 to conduct their preliminary audit work. They will be in the office August 28 through September 8 for field work. They will present their audit report at the November Audit Committee meeting.
- C. Publications – A copy of the July 2006 issue of Tone at the Top and an article from the April 2006 issue of Government Finance Officers Association GAAFR Review were included in the audit committee materials.

The meeting adjourned at 11:20 a.m.